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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending October 3, 2014

All prices are quoted in Canadian dollars per hundredweight (\$/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices (\$/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
Oct. 3/2014	Average	\$335.88	\$309.50	\$288.63	\$261.25	\$247.88	\$234.17	N.A.
Oct. 3/2014	Range	317-373	294-340	272-309	250-284	237-257	222-249	N.A.
Week/Week	Change	-\$0.62	-\$0.38	\$7.13	\$4.12	\$8.48	\$3.92	N.A.
Sept. 26/2014	Average	\$336.50	\$309.88	\$281.50	\$257.13	\$239.40	\$230.25	\$218.00
Feeder Heifers		300-400	400-500	500-600	600-700	700-800	800+ lb.	
Oct. 3/2014	Average	\$314.38	\$286.67	\$250.00	\$238.83	\$225.88	\$210.50	
Oct. 3/2014	Range	299-337	267-310	242-274	229-248	218-236	203-220	
Week/Week	Change	\$9.75	\$15.67	\$5.87	\$6.93	\$0.23	\$1.75	
Sept. 26/2014	Average	\$304.63	\$271.00	\$244.13	\$231.90	\$225.65	\$208.75	

Source: CanFax

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week. N.A. means not available due to lack of sufficient data.

Canfax reported that a total of 9,153 head of cattle were sold in Saskatchewan this week, down from 10,556 head marketed the previous week.

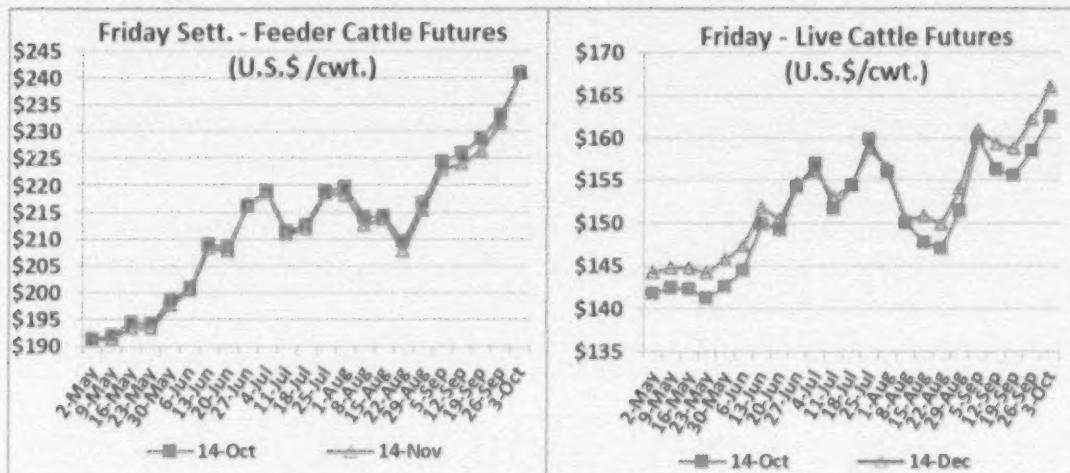
Saskatchewan feeder steer prices were mostly higher over the week. Saskatchewan feeder steer prices ranged from \$0.62 per cwt lower to \$8.48 per cwt higher over the week. The biggest gain over the week was in the 700-800 lb. weight category, while the 300-500 lb. weight categories had some small losses over the week. Feeder steers in the 500-900 lb. weight categories established new all-time high record prices over the week.

Feeder heifer prices were higher over the week increasing from \$0.23 per cwt to \$15.67 per cwt. The 400-500 lb. weight category had the largest increase over the week followed by the 300-400 lb. weight category. All feeder heifer weight categories established new all-time high record prices over the week.

Saskatchewan feeder cattle prices were primarily higher over the week with continued tight feeder cattle supplies and strong feeder cattle demand supported by new all-time high record feeder cattle futures prices. The Canadian dollar also helped Canadian cattle prices as the Canadian dollar continued to weaken against the U.S. dollar, closing Friday below 89 cents.

The Saskatchewan 750 lb. feeder steer basis compared to the October 2, 2014 U.S. feeder cattle index at US\$236.42 per cwt was calculated at -\$18.30 per cwt (US\$236.42/0.8882 - \$247.88), a basis widening of \$0.61 per cwt from -\$17.69 per cwt on September 25, 2014.

Feeder cattle futures prices moved higher over the week with big gains on Monday, Wednesday, and Thursday, with price limits up on Wednesday. Prices surged passed the previous week on all future month contracts, establishing new all-time high record prices. The October contract increased US\$7.775 per cwt over the week to settle Friday at US\$240.875 per cwt, while the November contract increased US\$9.375 per cwt to settle Friday at US\$240.975 per cwt.



Source: CME

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Live cattle futures prices moved higher week-over-week with big gains on Monday and Wednesday. The October live cattle futures contract increased US\$3.950 per cwt to settle Friday at US\$162.400 per cwt, while the December contract increased US\$3.775 per cwt to settle Friday at US\$165.875 per cwt, week-over-week. The October 2014 to April 2015 live cattle futures contracts established new all-time high record prices over the week, before a small pull back on Friday.

Fed and Non-fed Cattle

	October 3	September 26	Change over Week
Cows (Alberta)			
D1,2 Live	124.70	123.40	+1.30
D3 Live	111.25	110.08	+1.17
Rail	237-242	235-240	+2.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were higher last week with D1,2 slaughter cows increasing \$1.30 per cwt to average \$124.70 per cwt, while the price of D3 slaughter cows increased \$1.17 per cwt to average \$111.25 per cwt.

Fed cattle prices in Western Canada were not reported for the week because live cattle sales were too light to establish a reliable weekly price trend. The price of fed steers in Alberta the previous week (Sept. 26) was reported to average \$161.81 per cwt.

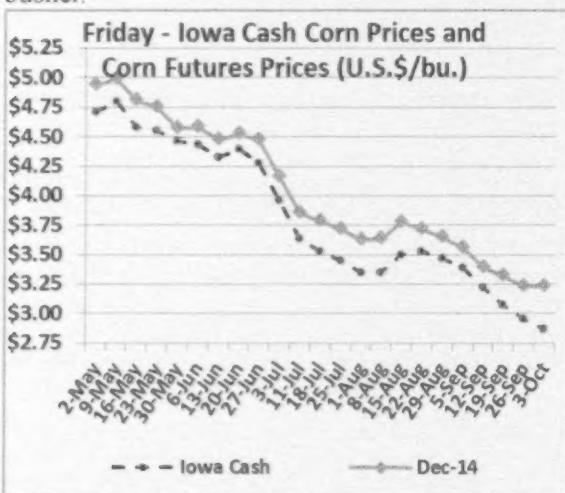
The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US\$160.54 per cwt, up US\$3.79 per cwt from US\$156.75 per cwt the previous week. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US\$251.99 per cwt, up US\$6.21 per cwt from US\$245.78 per cwt the previous week.

Choice beef cutout prices (600-900 lb.) for the week ending October 4 averaged US\$238.19 per cwt, down US\$1.43 per cwt from the weekly average price of US\$239.62 per cwt the previous week.

Cattle slaughter numbers over the week were estimated at 582,000 head, up 1.7 per cent from 572,000 head the previous week, but down 8.9 per cent from 639,000 head a year ago. Beef production totaled 476.4 million lb., up 1.9 per cent from 467.3 million lb. a week ago, but down 8.9 per cent from 639.0 million lb. a year ago.

USDA released the Grain Stocks Report on September 30, 2014. Total old corn crop in storage as of September 1, 2014 was 1.236 billion bushels, up 50.5 per cent from 821.2 million bushels on September 1, 2013. Old crop soybeans in storage as of September 1, 2014 totaled 91.960 million bushels, down 34.6 per cent from 140.557 million bushels on September 1, 2013. All wheat in storage as of September 1, 2014 totaled 1.914 billion bushels, up 2.4 per cent from 1.870 billion bushels on September 1, 2013.

Iowa cash corn prices continued lower over the week decreasing 8 cents per bushel, week-over-week, to end Friday at US\$2.87 per bushel. The December and March corn futures contracts were steady with some slight increases over the week as the December contract settled Friday at US\$3.23 $\frac{1}{4}$ per bushel, while the March 2015 corn futures contract settled Friday at \$3.36 $\frac{1}{4}$ per bushel.



Source: CME, Iowa Agriculture

Friday Price Information

Product		This Week (October 3)	Week of: (September 26)
Canadian Dollar (closing rate US\$)		.8882	.8965
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US\$ per cwt)		236.42	230.48
Seven-day Weighted Average FC Index Wt. (lb.)		758	758
Live Fed 5-area Steer Price (US\$ per cwt)		160.54	156.75
Feed Grains			
Barley	Lethbridge (\$/tonne) (\$ per bu.)	166.00 3.61	165.00 3.59
Corn	Iowa State Average (CDN\$/tonne)* (US\$ per bu.)	127.21 2.87	129.54 2.95
	Omaha, NE (CDN\$/tonne)* (US\$ per bu.)	120.56 2.72	130.86 2.98
Futures			
Dec. Corn (US\$ per bu.)		3.23½	3.23
March Corn (US\$ per bu.)		3.36½	3.35½
October Live Cattle (US\$ per cwt)		162.400	158.450
December Live Cattle (US\$ per cwt)		165.875	162.100
Oct. Feeder Cattle (US\$ per cwt)		240.875	233.100
November Feeder Cattle (US\$ per cwt)		240.975	231.600

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
 Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
 * conversion to CDN\$ is based on Friday's CDN\$ closing rate

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